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DE RUEHTV #0450/01 0401036 ZNR UUUUU ZZH P 091036Z FEB 07 FM AMEMBASSY TEL AVIV TO RUEHC/SECSTATE WASHDC PRIORITY 9341 RHEHAAA/WHITE HOUSE WASHDC PRIORITY RHEHNSC/WHITE HOUSE NSC WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEAHQA/HQ USAF WASHINGTON DC PRIORITY RUEADWD/DA WASHDC PRIORITY RUENAAA/CNO WASHINGTON DC PRIORITY RHEFDIA/DIA WASHINGTON DC PRIORITY RUEKJCS/JOINT STAFF WASHDC PRIORITY RUEHAD/AMEMBASSY ABU DHABI PRIORITY 1659 RUEHAS/AMEMBASSY ALGIERS PRIORITY 8413 RUEHAM/AMEMBASSY AMMAN PRIORITY 1556 RUEHAK/AMEMBASSY ANKARA PRIORITY 2431 RUEHLB/AMEMBASSY BEIRUT PRIORITY 1645 RUEHEG/AMEMBASSY CAIRO PRIORITY 9411 RUEHDM/AMEMBASSY DAMASCUS PRIORITY 2380 RUEHLO/AMEMBASSY LONDON PRIORITY 9286 RUEHFR/AMEMBASSY PARIS PRIORITY 9763 RUEHRB/AMEMBASSY RABAT PRIORITY 6395 RUEHRO/AMEMBASSY ROME PRIORITY 3784 RUEHRH/AMEMBASSY RIYADH PRIORITY 8660 RUEHTU/AMEMBASSY TUNIS PRIORITY 2887 RUCNDT/USMISSION USUN NEW YORK PRIORITY 4796 RUEHJM/AMCONSUL JERUSALEM PRIORITY 5902 RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY RHMFIUU/COMSIXTHFLT PRIORITY

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SIPDIS

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E.O. 12958: N/A TAGS: OPRC KMDR IS

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

The leading story in all media is the unity government agreement signed by Fatah and Hamas in Mecca on Thursday. The media reported that the agreement sets out the principles of the unity government,

including an ambiguous promise that it will "respect" previous peace deals with Israel. The Mecca accord does not address the other two international requirements, recognizing Israel and renouncing violence. Ha'aretz quoted State Department spokesman Tom Casey as saying that: "The international community has made it clear that in order to be able to have a broader relationship with the Palestinian Authority government those principles are going to have to be met."

Yediot cited estimates by EU officials that the European foreign ministers who are to convene next week might renew economic assistance to the Palestinians following the establishment of the unity government. Yediot cited Secretary of State Condoleezza Rice as saying on Thursday that the US will continue to insist that the unity government accept the Quartet conditions. Israeli Foreign Minister Tzipi Livni was quoted as saying that the Quartet demands are not negotiable.

Maariv reported that February 19, 2007, is the official day on which negotiations for establishing a Palestinian state will begin. The paper quoted Secretary Rice as saying in a special Congressional hearing that a Palestinian state will be established only if the Quartet demands are fully accepted.

All media reported that the Jerusalem police have raised alert and limited Muslim access on Friday's prayers at the Temple Mount. These actions were taken in fear of intensification of protests against the ongoing construction on the Temple Mount's Mugrabi Gate. The media reported that Prime Minister Olmert decided on Thursday to continue the work despite the fear of violent confrontations. The media also noted that Arab ambassadors to the United Nations asked the UN Security Council on Thursday to "to take immediate and urgent measures" to stop the excavation.

Leading media reported that UNIFIL has accepted Israel's version of the events that to the exchange of fire on Wednesday between Israel and the Lebanese army. UNIFIL determined that the IDF operated within Israeli territory and did not cross the international border. According to Israel Radio following the UNIFIL report, Lebanon decided not to file an official complaint to the UN Security Council.

Leading media reported that on Thursday Lebanese authorities seized a truck carrying ammunition intended for Hizbullah. The media reported that Hizbullah demanded that the truck be returned to them immediately.

All media reported that Iran claims that it exposed an Israeli spy network. According to their report they followed 100 spys who are working for the Mossad and the CIA.

Yediot reported that Turkish Prime Minister Tayyip Erdogan intends to offer his good offices to PM Olmert, who will visit Ankara next week, to mediate between Israel and Syria. According to the newspaper Olmert will kindly refuse the offer.

Maariv cited Israeli security officials as denying Palestinian reports that military experts from Iran were captured in the Gaza Strip last week.

Mideast:

Summary:

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Palestinian affairs correspondent Avi Issacharoff wrote in the independent, left-leaning Ha'aretz: "Under these circumstances, Israel and the U.S. will have trouble demanding that the international economic boycott of the Palestinian government remain in place."

Senior Arab affairs commentator Roni Shaked wrote in the mass-circulation, pluralist Yediot Aharonot: "As for whether the international community will recognize the new government --and that is definitely liable to happen in light of the cracks yawning in the Quartet's position --Israel is liable to yet find itself isolated against the position that demands that it negotiate with a Hamas government."

The Ultra-Orthodox Hamodia editorialized: "It is clear to us that a policy of restraint -- although understood by some Arab countries as weakness -- should be continued and wished for unless it is clear to all Israelis that it is an inevitable war."

The left-leaning, independent Ha'aretz editorialized: "No commission of inquiry is needed in order to realize that the fact that the prime and defense ministers are not speaking to each other is a clear and present danger to national security."

Block Quotes:

¶I. "A Real Problem for Israel"

Palestinian affairs correspondent Avi Issacharoff wrote in the independent, left-leaning Ha'aretz (02/09): "The new Palestinian unity government creates a real problem for Israel. It will be headed by a senior Hamas figure, Ismail Haniyeh. Moreover, it will not recognize Israel and does not pretend to meet the Quartet's conditions, as one Hamas leader said. Yet at the same time, it is not a Hamas government, and Hamas will not have a majority in the cabinet. The finance minister-designate, Salem Fayad, is the White House's darling. The foreign minister-designate, academic Ziad Abu Amar, has lectured at many American universities and does not have extremist positions on Israel. And the interior minister, who commands the security forces, will be an independent rather than a Hamas member, though he will be appointed on Hamas' recommendation. Under these circumstances, Israel and the U.S. will have trouble demanding that the international economic boycott of the Palestinian government remain in place."

II. "Hamas took the Whole Pot in Mecca"

Senior Arab affairs commentator Roni Shaked wrote in the mass-circulation, pluralist Yediot Aharonot (02/09): "The agreement signed last night in Mecca is a great victory for Hamas. Khaled Mashal and Ismail Haniya could not have hoped for more. Even after the tremendous pressure by the Saudi king, Hamas did not yield and it emerges greatly strengthened in the internal Palestinian arena and greatly strengthened in the Arab and international arenas. Hamas did not concede power, did not concede ideology, did not recognize Israel, did not renounce terror and did not agree to promise to honor signed agreements. In return for this stubborn position, it received the unity government it so wished for. wished for a national unity government to put an end to the international economic and diplomatic siege on the Palestinians and to stop the civil war.... Hamas took the whole pot in Mecca. Thanks to this agreement and to the millions of dollars of the Saudi king, Hamas will emerge from its financial crisis, it will solidify its rule and it will reach the next elections with a lot more strength, and it will not only win the elections for president but also the elections for the Palestinian Legislative Council.... Mecca's holiness, as well as the efforts of the Saudi king, were unable to bridge the gap in the positions between Islamist Hamas and nationalist Fatah. It was in fact Abu Mazen who folded, who agreed to the establishment of a unity government even before its basic guidelines were formulated.... As for whether the international community will recognize the new government -- and that is definitely liable to happen in light of the cracks yawning in the Quartet's position -- Israel is liable to yet find itself isolated against the position that demands that it negotiate with a Hamas government.

III. "Keep the Restraint"

The Ultra-Orthodox Hamodia editorialized (02/09): "The military activity on the Lebanese border and the construction work at the Mugrabi Gate might set fire to the Palestinian street in particular and the Islamic street in general against the Israeli state.... If there is no urgent need that cannot be postponed to build the bridge to the Mugrabi Gate now, it should be postponed to a later date. Not while the Palestinians are fighting each other. For over a year the wooden bridge stood at the Wailing Wall and no one cared. So what is the rationale behind the decision to act now. It is against reason.... The Jewish street does not want a third Intifadah ... It also wants quiet on the northern border.... It is clear to us that a policy of restraint -- although understood by some Arab countries as

weakness -- should be continued and wished for unless it is clear to all Israelis that it is an inevitable war."

IV. "A Clear and Present Danger"

The Left-leaning, independent Ha'aretz editorialized (02/09): "No commission of inquiry is needed in order to realize that the fact that the prime and defense ministers are not speaking to each other is a clear and present danger to national security. This grave situation has continued since the war in Lebanon ended, but the public is not fully aware of its gravity. All the conciliatory statements emanating from both ministers' offices are false, as are the smiles they exchange in front of the cameras. The state is not being governed, and there is no coordination between Ehud Olmert and Amir Peretz on the most vital issues.... It is hard to put faith in the government's declarations about Israel Defense Forces activity on the Lebanese or Gazan borders, its policy on the settlement outposts and the considerations that have led it to acquire new weapons systems -- let alone its handling of the Iranian nuclear issue or its contacts with the Palestinian Authority -- when these issues are dealt with mainly via the media, and every statement by one side immediately prompts a dismissive response by the other.... The work on the Temple Mount, as well as the operations along the Lebanese border, are both matters with the potential to spark a major conflagration, so it would have been reasonable to assume that the decisions were made knowledgeably and judiciously. But the current Israeli government has neither knowledge nor judgment.... If the prime minister wants to leave any positive impression at all before he is replaced, he must at least ensure that the defense establishment is headed by someone who enjoys the confidence of that establishment, and with whom he can work. And if Labor quits the government over the defense minister's replacement that will be a sign that it, too, is unsuited to lead the country.' **JONES**